

FSC-85-B	5/19/97	
SUBJECT: Price Gap Defense		
Response Required? <u> X </u> Yes		
Date Required: <u> 6/2/97 </u>		
DISTRIBUTION:		
<u> X </u> AVP	<u> X </u> KAM	<u> X </u> DM
<u> X </u> RSM	<u> X </u> AM	<u> X </u> RM
<u> X </u> RBM	<u> X </u> AE	<u> </u> Sales Rep
<u> X </u> ROM		<u> </u> Retail Rep

The purpose of this correspondence is to provide you with additional information to assist you in better understanding the thought process behind our full price discounting and price response strategies.

Following are:

- 1) Guidelines to avoid overlapping of Gap CIV coverage when PM extends their discounting period.
- 2) Guidelines and request for information regarding overspent first quarter accrual dollars in non-grid outlets.
- 3) Price Gap Defense and Retail Outlet Strategies, Rationale and Marketing Plans by Segment.

Please share this information with all of your people to ensure that everyone has a thorough understanding of our strategies.

If you have any questions, please contact your Region Sales Manager.

Program Contacts: Kevin Richardson, extension #3440
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